



OPERATIONS SUPPORT SERVICES DIVISION

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October 12, 2005

Sent: Via e-mail and overnight courier

TO: ALL QUALIFIED BUSINESS PARTNERS

FROM: CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

SUBJECT: ADDENDUM NO. 4
REQUEST FOR PROPOSAL NO. 2004-3494
COMET - PENSION SYSTEM RESUMPTION PROJECT

Addendum Number 4 shall be incorporated into the Request for Proposal (RFP) documents. The following revisions have been made to the RFP:

Section	Revised Language
VI.A	First paragraph – First sentence revised to read as follows: The purpose of this section is to present the business requirements that are to <u>must</u> be addressed by the proposed solution.
IX.E.2.b	Project Team Experience and References (maximum score = 2000) - Modified last sentence as follows: (Proposal Items 13 , 35, 36, 38, and 39.)
IX.E.3.d	Evaluation Rates - Modified definition of evaluation rating for a score of 1 point as follows: 1 Point = Low <u>Poor</u> – Response is considered to be an undesirable response to the technical requirement or project strategic and technical architecture goals.

Section	Revised Language			
IX.E.3.e	<p>Scoring – Modified the scoring and weighting for technical section as follows:</p> <p>Technical Proposal Items (43-112) are broken into 12 categories. Each of the categories has from one to many Proposal Items. Proposal Item points for each category are summarized and presented as a percentage of the total possible points for the category. Fifty percent of the total <u>technical points score</u> is evenly distributed to the application and database categories. The remaining fifty percent of the <u>total technical points score</u> is distributed evenly to the remaining ten categories.</p> <p><u>The QBP that receives the highest total technical points will be awarded the maximum available technical score of 2400. All other QBPs will be awarded a technical score calculated using the equation shown below:</u></p> $\frac{\text{QBP Proposal total technical points} \times 2400}{\text{Highest QBP total technical points}} = \text{QBP Technical Score}$			
IX.E.4	<p>Business Requirements Review – This paragraph was replaced in its entirety and reads as follows:</p> <p>QBPs that are compliant in all areas of the administrative and technical evaluation will continue in the evaluation process.</p> <p>(a) <u>Business Requirements (Pass/Fail)</u></p> <p>The Evaluation Team will independently evaluate responses to each business requirement and will determine whether each response conforms to the Business Requirement on a “Pass/Fail” basis. At the discretion of CalPERS the QBP may be asked to validate their response by demonstration.</p> <p>If, by consensus of the Evaluation Team, it is found that the QBP has submitted a failed response to any of the business requirements the Proposal shall be deemed materially deviant and excluded from further consideration to award.</p> <p>(b) <u>Evaluation Criteria</u></p> <p>Responses to each business requirement will be evaluated by a team of individuals and subject matter experts that are knowledgeable in the business requirements and project strategic objectives. Each requirement will be evaluated for compliance with the following criteria in order to obtain the best value solution:</p> <table><tr><th>Criteria</th></tr><tr><td>Ease of use</td></tr><tr><td>Business Risk</td></tr></table> <p>Table IX.2 Business Evaluation Criteria.</p>	Criteria	Ease of use	Business Risk
Criteria				
Ease of use				
Business Risk				

Section	Revised Language
IX.E.4 (Continued)	<p data-bbox="406 273 730 304">(c) <u>Evaluation Rates</u></p> <p data-bbox="487 325 1494 430">Evaluation Rates are used to assess the quality of the evaluation criteria in the response. Each requirement will be evaluated and scored based upon the following ratings:</p> <p data-bbox="487 441 1494 546">5 Points = Exceptional – Response fully meets business requirements and supports PSR project strategic goals with no identified weaknesses.</p> <p data-bbox="487 556 1494 661">4 Points = Very Good – Response fully meets business requirements and supports PSR project strategic goals with weaknesses that are considered minor.</p> <p data-bbox="487 672 1494 777">3 Points = Satisfactory – Response meets business requirements and supports PSR project strategic goals with functional weaknesses that are considered moderate and resolvable.</p> <p data-bbox="487 787 1494 892">2 Points = Marginal – Response meets business requirements and supports PSR project strategic goals with functional weaknesses.</p> <p data-bbox="487 903 1494 1039">1 Point = Poor – Response is considered to be an undesirable response to the business requirement or project strategic objectives. For example, response may include significant additional manual activity or interface to another program)</p> <p data-bbox="487 1050 1494 1123">0 Points = Non-Responsive – The business requirement response is determined to be non-responsive.</p> <p data-bbox="406 1134 617 1165">(d) <u>Scoring</u></p> <p data-bbox="487 1186 1494 1354">The total business points is shared equally among all 315 business requirements. The QBP that receives the highest total business points will be awarded the maximum available business score of 3150. All other QBPs will be awarded a business score calculated using the equation shown below:</p> <p data-bbox="487 1365 1494 1501"> $\frac{\text{QBP Proposal total business points} \times 3150}{\text{Highest QBP total business points}} = \text{QBP Business Score}$ </p>

Section	Revised Language
IX.E.5.	<p>Added Value Assessment – This paragraph was replaced in its entirety and reads as follows:</p> <p>A maximum score of 1250 is possible for the Added Value Assessment portion of the evaluation.</p> <p>QBP's are encouraged to exceed CalPERS requirements, if doing so provides a tangible benefit to CalPERS. Scoring for added value will be based in part on the Evaluation Team's assessment of added value features that are identified as such by each QBP in its Proposal. The extent to which additional functionality is available for future use by CalPERS also adds value.</p> <p>The Evaluation Team will make the determination of what items truly add value to their business based on how it enhances achievement of the strategic goals. The Evaluation Team will award to each QBP up to the maximum number of points based on the Evaluation Team's assessment of the response received.</p> <p>The QBP that receives the highest total added value points will be awarded the maximum available added value score of 1250. All other QBP's will be awarded an added value score calculated using the equation shown below::</p> $\frac{\text{QBP Proposal total added value points} \times 1250}{\text{Highest QBP total added value points}} = \text{QBP Added Value Score}$
IX.E.6	<p>Cost Assessment – Added new first paragraph as follows:</p> <p><u>A maximum score of 3800 is possible for the Cost Assessment portion of the evaluation.</u></p>
IX.F	<p>Contract Award - Replaced in its entirety to read as follows:</p> <ol style="list-style-type: none"> <li data-bbox="406 1218 1494 1396">1. The Contract award, if any, will be made to the responsive and responsible QBP having the highest total score, but may be subject to final negotiations and satisfaction of all requirements. Should negotiations not be successful with the selected QBP, CalPERS may, based on its exclusive discretion, negotiate with the QBP having the second highest total score. <li data-bbox="406 1396 1494 1533">2. All QBP's will be notified of the outcome of the RFP process. Notice of CalPERS intent to award to the selected QBP will be posted in CalPERS Contracts Management Section and at www.calpers.ca.gov for five (5) State business days before the award of contract is made.

The enclosed CD-ROM incorporates language changes made in previous Addenda and reflects revisions to the RFP language as listed above. We appreciate your interest in our Project and look forward to your continued participation in the procurement process.

Sincerely,

Original Signed By:

Charleen Maxwell
Contracts Administrator
Contracts Management Section

Enclosure: CD-ROM